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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of)
)
American Communications Services, Inc.)
)
MCI Telecommunications Corp.)
) CC Docket No. 97-100
Petitions for Expedited Declaratory Ruling)
Preempting Arkansas Telecommunications)
Regulatory Reform Act of 1997 Pursuant to)
Sections 251, 252, and 253 of the)
Communications Act of 1934, as amended)

COMMENTS OF
RURAL ARKANSAS TELEPHONE SYSTEMS

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Summary

Rural Arkansas Telephone Systems, an association of Arkansas rural telephone carriers, comments that the universal service provisions of the Arkansas Telecommunications Regulatory Reform Act of 1997 (“Arkansas Act”) are not inconsistent with the universal service provisions of the Communications Act or the Commission’s implementing rules, and are therefore not subject to preemption by the Commission.

The Arkansas Universal Service Fund (AUSF) was created pursuant to Section 254(f) of the Communications Act, which authorizes individual states to adopt their own universal service regulations and mechanisms as long as they do not rely on or burden federal universal service mechanisms. The AUSF is a small fund with a contribution factor that has ranged from 0.50% to 0.75% of intrastate retail telecommunications service revenues. It has not perceptibly relied on or burdened the much larger and wholly separate federal mechanism.

Congress has made it clear that the purpose of Section 254(f) was to preserve state authority with respect to universal service, and to permit states to adopt any measure not inconsistent with the Commission's rules. Given that the Commission has not yet adopted a revised universal service mechanism for rural telephone companies, the rural telephone company provisions of the AUSF cannot be inconsistent with any Commission rules. With respect to non-rural carriers, the AUSF is fully consistent with the Commission policy that assigns itself the primary role of enabling reasonable comparability of rates among states and the states the primary role of ensuring reasonable comparability of rates within state borders.

Section 214(e)(2) of the Communications Act expressly assigns to state commissions the task of designating “eligible telecommunications carriers” (“ETCs”) for the purpose of the distribution of federal universal service support, and expressly permits states to designate only one ETC in areas served by rural telephone companies. Section 5(d) of the Arkansas Act, which provides for the designation of a single ETC in rural telephone company service areas, is wholly consistent with the federal statute and prior Commission interpretations thereof. Moreover, the additional eligibility requirements established by Section (b) of the Arkansas Act for ETCs in areas served by non-rural carriers, were expressly permitted by the Texas Office of Public Utility Counsel v. FCC, 183 F.3d 393 (5th Cir. 1999), order.

The AUSF and ETC provisions of the Arkansas Act are not subject to preemption by the Commission under any of the limited circumstances listed in the Supreme Court’s Louisiana Public Service Commission v. FCC, 476 U.S. 355 (1986), decision. Likewise, the Tenth Amendment establishes the dual sovereignty of federal and state governments, and prohibits federal agencies from compelling the states to enact or implement federal regulatory programs. New York v. United States, 505 U.S. 144 (1992); Printz v. U.S., 521 U.S. 898 (1997).

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**COMMENTS OF
RURAL ARKANSAS TELEPHONE SYSTEMS**

Rural Arkansas Telephone Systems ("Rural Arkansas"), by its attorney, hereby submits its comments in response to the Commission's Public Notice ("The Commission Seeks Comment Regarding Whether Universal Service Provisions Of Arkansas Act Comport With Federal Law"), CC Docket No. 97-100, DA 00-50, released January 14, 2000. The universal service provisions of the Arkansas Telecommunications Regulatory Reform Act of 1997 ("Arkansas Act") are not inconsistent with the universal service provisions of the Communications Act of 1934, as amended ("Communications Act"), or the Commission's implementing rules. Hence, there is no basis in law or fact for the Commission to preempt any of the universal service provisions of the Arkansas Act, or otherwise to interfere further with the sovereignty of the State of Arkansas.

Background

Rural Arkansas is an association comprised of independent local exchange carriers ("LECs") serving rural Arkansas. The purpose of Rural Arkansas is to encourage communication and cooperation by rural Arkansas LECs on issues affecting telecommunications for rural areas. Rural Arkansas also provides information and recommendations to governments, businesses and residential customers concerning rural issues.

The Arkansas Act was passed by overwhelming, bipartisan majorities of both houses of the General Assembly, and was signed into law by Governor Mike Huckabee. The vote in the Arkansas Senate was thirty-two (32) "for" and only one (1) "opposed"; while the vote in the Arkansas House of Representatives was ninety-two (92) "for" and only three (3) "opposed." In other words, a greater than 96 percent, bipartisan majority of the legislators duly elected by the people of Arkansas, as well as the Governor, supported the Arkansas Act.

Preemption Standards

In a system of dual sovereignty, preemption of a state statute by a federal administrative agency is an extremely grave matter. The U.S. Supreme Court has indicated repeatedly that federal preemption of a state statute is a drastic step that should be taken only where Congress has provided a "clear statement" of its intent to displace state authority. Gregory v. Ashcroft, 501 U.S. 452, 464 (1991); Hillsborough County v. Automated Medical Laboratories, Inc., 471 U.S. 707, 717 (1985).

In Louisiana Public Service Commission v. FCC, 476 U.S. 355, 368-69 (1986), the Supreme Court stated that Congress and federal agencies acting within the scope of

congressionally-delegated authority may preempt state regulation **only** under the following limited circumstances:

- (a) where Congress, in enacting a federal statute, expresses a clear intent to preempt state law, Jones v. Rath Packing Co., 430 U.S. 519 (1977);
- (b) when there is outright or actual conflict between federal and state law, Free v. Bland, 369 U.S. 663 (1962);
- (c) where compliance with both federal and state law is, in effect, physically impossible, Florida Lime & Avocado Growers, Inc. v. Paul, 373 U.S. 132 (1963);
- (d) where there is implicit in federal law a barrier to state regulation, Shaw v. Delta Airlines, Inc., 463 U.S. 85 (1983);
- (e) where Congress has legislated comprehensively, thus occupying an entire field of regulation and leaving no room for the states to supplement federal law, Rice v. Santa Fe Elevator Corp., 331 U.S. 218 (1947); and
- (f) where state law stands as an obstacle to the accomplishment and execution of the full objectives of Congress, Hines v. Davidowitz, 312 U.S. 52 (1941).

The Telecommunications Act of 1996 ("1996 Act") authorized the Commission to preempt state and local statutes and legal requirements in only one limited instance -- where they "prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service." 47 U.S.C. §253(a). At the same time, Congress stated that nothing in Section 253(a) shall affect the ability of a state or local government to impose, on a competitively neutral basis and consistent with the Federal Act's universal service provision, "requirements necessary to preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers." 47 U.S.C. §253(b). Read together, these provisions indicate that the Commission's authority to preempt state or

local requirements is limited to situations where such requirements actually or effectively **prohibit entry** into interstate or intrastate telecommunications markets.

Arkansas Universal Service Fund

Section 254(f) of the Communications Act gives states the right to "adopt regulations not inconsistent with the Commission's rules to preserve and advance universal service." It authorizes individual states to adopt their own regulations and mechanisms to preserve and advance universal service within their boundaries, including the provision of additional universal service definitions and standards. The sole statutory limit on this state authority is that any universal service mechanism adopted by a state may "not rely on or burden the Federal universal service support mechanisms." 47 U.S.C. Sec. 254(f).

The Conference Report for the 1996 Act declared that the specific purpose of Section 254(f) is to preserve state authority with respect to universal service. It asserted that a state "may adopt **any measure** with respect to universal service that is not inconsistent with the Commission's rules [emphasis added]." Conference Report (H. Rept. 104-458) at p. 132. The Conference Report discussed only one particular aspect of state universal service fund design and administration. Specifically, it stated that it was a State's right to determine the equitable and nondiscriminatory manner in which all providers of intrastate telecommunications services will be required to contribute to universal service within the state. Id. With respect to other universal service matters, the Conference Report indicated that Congress was authorizing each State to adopt additional requirements with respect to universal service in that state, subject to the sole limitation that "those additional

requirements do not rely upon or burden Federal universal service support mechanisms." Id.

The Federal-State Joint Board on Universal Service ("Joint Board") has recognized that Section 254 does not alter the historical responsibilities of the states "to participate as full partners" with the Commission in preserving universal service. It has declared that the state role is to "supplement, as desired, any amount of federal funds it may receive" and to "address issues regarding implicit intrastate support in a manner that is appropriate to local conditions." Second Recommended Decision (Federal-State Joint Board on Universal Service), CC Docket No. 96-45, 13 FCC Rcd 24744, 24759-60 (Jt. Bd. 1998).

The Commission itself has recognized that the states alone have jurisdiction to set rates for intrastate services, and that Section 254 does nothing to reduce or change this proscription against Commission regulation of intrastate rates. Ninth Report & Order and Eighteenth Order On Reconsideration (Federal-State Joint Board on Universal Service), CC Docket No. 96-45, FCC 99-306, released November 2, 1999, at par. 37. In developing its federal universal service mechanism for non-rural carriers, the Commission adopted the following policy goal and approach: that "the primary federal role is to enable reasonable comparability among states (i.e., to provide states with sufficient support so that states can make local rates reasonably comparable among states), and the primary role of each state is to ensure reasonable comparability within its borders (i.e., to apply federal and state support to make local rates reasonably comparable within the state)." Id. at paras. 38, 45, 46. The Commission has declared that its federal universal service mechanism for non-rural carriers leaves intact the state role of ensuring reasonable comparability of rates within their borders. Id. at par. 46. The Commission has noted that the states may employ

their substantial resources, including rate averaging, implicit support, and explicit support mechanisms, to achieve the goal of reasonably comparable rates within states. Id. at par. 46. The Commission has not yet proposed or adopted a modified federal universal service mechanism for rural telephone companies like the Rural Arkansas members, and will not implement any such revised mechanism until at least January 1, 2001. Id. at par. 11.

Section 4 of the Arkansas Act established the Arkansas Universal Service Fund (AUSF) to promote and assure the availability of universal service in Arkansas at rates that are reasonable and affordable, and to provide for reasonably comparable services and rates between rural and urban areas of the State. Ark. Stat. Ann. Sec. 23-17-404(a)(1). The AUSF provides funding to eligible telecommunications carriers that provide basic local exchange services (which are defined in a manner wholly consistent with the core of designated universal services listed in Section 54.101(a) of the Commission's Rules) in rural or high cost areas of the State. Ark. Stat. Ann. Secs. 23-17-404(a) and 23-17-403(5). The AUSF is funded (except as prohibited by federal law) by a charge imposed upon all telecommunications providers doing business in Arkansas, in an amount proportionate to each provider's Arkansas intrastate retail telecommunications service revenues, Ark. Stat. Ann. Sec. 23-17-404(b). The AUSF provides funding to eligible telecommunications carriers, as needed: (a) for investments and expenses required to provide, maintain and support universal services; (b) for infrastructure expenditures in response to facility or service requirements established by legislative, regulatory or judicial authorities; and (c) for other purposes deemed necessary by the Arkansas Public Service Commission ("Arkansas Commission") to preserve and advance the public education and welfare. Ark. Stat. Ann. Sec. 23-17-404(e)(5). The amount of support furnished by the AUSF to individual carriers

may be determined by: (a) traditional rate case methods and procedures to identify universal service revenue requirements and a residual AUSF funding requirement; (b) studies based upon fully distributed allocations of costs and associated revenues for high-cost exchange or wire center areas; or (c) reasonable cost proxies adopted by the Arkansas Commission. Ark. Stat. Ann. Sec. 23-17-404(e)(6). In addition, AUSF support may be provided pursuant to a limited "hold harmless" provision which allows rural telephone companies and other local exchange carriers to recover certain government-mandated reductions in universal service or access revenues from their basic local exchange service rates and/or from the AUSF. Ark. Stat. Ann. Sec. 23-17-404(e)(4).

The AUSF was funded in 1999 by a charge in the amount of one-half of one percent (0.50%) of the intrastate retail telecommunications service revenues of telecommunications providers doing business in Arkansas. The AUSF contribution factor for 2000 has been set initially at three-fourths of one percent (0.75%) of the intrastate retail telecommunications service revenues of telecommunications providers doing business in Arkansas.

The AUSF does not rely upon or burden the federal Universal Service Fund or any other federal universal service support mechanism. Its potential contribution base of intrastate Arkansas retail telecommunications service revenues is wholly separate and distinct from the federal universal service contribution base of interstate and international end-user telecommunications revenues set forth in Section 54.706(b) of the Commission's Rules. Moreover, the AUSF's low contribution factor (0.50% to 0.75% of a carrier's intrastate Arkansas retail telecommunications service revenues) does not perceptibly impair -- much less, preclude -- any Arkansas carrier's ability to contribute to the federal Universal

Service Fund (which presently has a much higher contribution factor of 5.877% of a carrier's interstate and international end-user telecommunications revenues). Hence, AUSF complies fully with the only limitation in Section 254(f) of the Communications Act upon a state's right to establish and operate its own universal service mechanism. For this reason alone, the AUSF is wholly consistent with applicable federal law and is not subject to Commission preemption.

The AUSF provisions and features regarding rural telephone companies such as Rural Arkansas members are "not inconsistent" with the Communications Act or the Commission's universal service rules. In fact, for at least the remainder of the present calendar year, the Commission will have in place only a few "transitional" universal service rules affecting rural telephone companies.

To the extent (if any) that they are relevant, the other features of the AUSF also are "not inconsistent" with the Communications Act or the Commission's universal service rules. The purpose of the AUSF (to promote and assure the availability of universal service in Arkansas at rates that are reasonable and affordable, and to provide for reasonably comparable services and rates between rural and urban areas of the State) is wholly consistent with Section 254 of the Communications Act as well as the federal/state policy and approach adopted by the Commission in its Ninth Report & Order and Eighteenth Order On Reconsideration, *supra*. Likewise, the AUSF furnishes funding with regard to "basic local exchange services" (i.e., voice grade access to the public switched network, touch-tone service availability, flat rate local service, access to emergency services, access to basic operator services, a standard white-page directory listing, access to basic local directory assistance and access to long distance toll service providers) that are virtually

identical to the core of universal services designated by the Commission. Compare Ark. Stat. Ann. Sec. 23-17-403(5) with 47 C.F.R. Sec. 54.101(a). The amount of support furnished by the AUSF to individual carriers may be determined by cost proxies, as well as by more traditional rate case methods and cost studies that are not prohibited by Section 254 of the Commission's Rules. Finally, AUSF support may be provided pursuant to a limited "hold harmless" provision similar to that adopted by the Commission in its Ninth Report & Order and Eighteenth Order On Reconsideration, supra, at paras 77-88, which allows rural telephone companies and other local exchange carriers to continue to receive an amount of support that is not less than the support received under preexisting interstate and intrastate mechanisms.

In sum, the AUSF mechanism does not burden the federal universal service mechanism, and otherwise is "not inconsistent" with Section 254 or the Commission's universal service rules.

Eligible Telecommunications Carrier

Section 214(e)(2) of the Communications Act expressly assigns to state commissions the task of designating "eligible telecommunications carriers" ("ETCs") for the purpose of the distribution of federal universal service support. It states that "the State commission **may**, in the case of an area served by a rural telephone company, and **shall**, in the case of all other areas, designate more than one common carrier as an [ETC] for a service area designated by the State commission [emphasis added]."

The Commission has expressly recognized that states have "the discretion to decline to designate more than one eligible carrier in an area that is served by a rural

telephone company." Report And Order (Federal-State Joint Board on Universal Service), CC Docket No. 96-45, 12 FCC Rcd 8776, 8852 (1997). It has further noted that there is no prohibition against "a state establishing criteria for designation of eligible carriers in connection with the operation of that state's universal service mechanism" (i.e., state adoption of a second set of eligibility criteria for a state universal service mechanism). Id. at 8552.

In Texas Office of Public Utility Counsel v. FCC, 183 F.3d 393, 417-18 (5th Cir. 1999), the court held that the states may impose additional eligibility requirements on carriers regarding the receipt of federal universal service support as well as state universal service support. It found that the Commission had previously erred when it prohibited the states from imposing additional eligibility requirements on carriers otherwise eligible to receive federal universal service support, and reversed that portion of the Report And Order, supra, prohibiting the states from imposing any additional requirements (from those specified in Section 214(e)(1) of the Communications Act and Section 54.201(d) of the Commission's Rules) when designating entities as eligible for federal universal service support. Id. at 418.

Section 5(d) of the Arkansas Act is wholly consistent with the discretion afforded to states to designate only one ETC in rural telephone company service areas for federal and/or state universal service purposes. It states that "[f]or the entire area served by a rural telephone company, . . . there shall be only one [ETC] which shall be the incumbent local exchange carrier that is a rural telephone company." Ark. Stat. Ann. Sec. 23-17-405(d)(1). The Arkansas legislature has lawfully and reasonably determined that the designation of a single ETC in a rural telephone company study area is the most reliable and effective way

to preserve and advance federal and state universal service goals under the prevailing economic conditions in rural Arkansas. Its determination is a wholly consistent and reasonable exercise of the discretion explicitly granted to each state in Section 214(e)(2), and is therefore not subject to Commission preemption.

Section 5(b) of the Arkansas Act allows the Arkansas Commission, consistent with Section 214(e)(2) of the federal act, to designate other telecommunications providers as eligible for AUSF support in areas not served by rural telephone companies. Ark. Stat. Ann. Sec. 23-17-405(b). Section 5(b)(1) includes as a condition of such designation that the "other telecommunications provider accepts the responsibility to provide service to all customers in an incumbent [LEC's] local exchange area using its own facilities or a combination of its own facilities and resale of another carrier's services." It provides further that AUSF support will not begin "until the telecommunications provider has facilities in place and offers to serve all customers in its service area." Ark. Stat. Ann. Sec. 23-17-405(b)(1). These provisions are consistent with Section 214(e)(1) of the Communications Act, which expressly requires a carrier seeking designation as an ETC to offer the federally supported services and to advertise the availability of such services "throughout the service area for which the designation is received." Moreover, even if these requirements were additional requirements over and beyond those contained in federal law, the Commission itself has recognized that states may adopt additional eligibility rules for their own state universal service mechanisms whereas the Texas Office of Public Utility Counsel order has held that states may adopt additional eligibility rules for the federal universal service mechanism as well.

In sum, the ETC provisions of the Arkansas Act are wholly consistent with Section 214(e) of the Communications Act and the Commission's implementing rules.

**The Legal Requirements
For Agency Preemption Of State Law Are Not Satisfied**

The foregoing analyses of the universal service and ETC provisions of the Arkansas Act demonstrate that these state statutory provisions are not subject to preemption by the Commission under any of the limited circumstances listed in the Supreme Court's Louisiana Public Service Commission v. FCC, *supra*, decision.

First, Congress, in enacting Sections 254 and 214(e) of the Communications Act has expressed no intent to preempt state law. In fact, Congress has expressly assigned to the states the authority and discretion to establish their own state universal service mechanisms, 47 U.S.C. Sec. 254(f), and to designate ETCs for purposes of both federal and state universal service mechanisms, 47 U.S.C. Sec. 214(e).

Second, there is no outright or actual conflict between federal and state law. As detailed above, Sections 4 and 5 of the Arkansas Act are consistent with Sections 254 and 214(e) of the Communications Act and the Commission's implementing rules.

Third, compliance with both the Arkansas Act and the Communications Act is not only physically possible, but also relatively easy. The AUSF is wholly separate and independent from the federal USF, and does not rely upon or burden the latter in any perceptible manner.

Fourth, there is implicit in the Sections 254 and 214(e) of the Communications Act no barrier to state universal service mechanisms or state designation of ETCs, nor any attempt by Congress to legislate comprehensively and leave no room for the states. In fact,

as detailed above, Congress has expressly assigned responsibility for the implementation of state universal service mechanisms and ETC designations to the states.

Finally, the Arkansas Act does not stand as an obstacle to the accomplishment and execution of the full objectives of Congress. Rather, its AUSF and ETC provisions are designed and worded to be consistent with the Communications Act.

Therefore, there is no basis for the Commission to preempt Section 4 or 5 of the Arkansas Act under any of the six criteria recognized by the Supreme Court in Louisiana Public Service Commission v. FCC, *supra*.

Moreover, the preemption provision of Section 253(d) is not applicable, for it authorizes the Commission only to preempt state or local "legal requirements" that prohibit, or have the effect of prohibiting, any entity from providing telecommunications services. These "legal requirements" are commonly known as barriers to entry, and are limited to certification, licensing, franchising and similar legal requirements that exclude or preclude entities from entering markets which they otherwise possessed the economic and technical capability to serve. *See, e.g., Classic Telephone, Inc.*, 4 CR 1062 (1996).

The non-designation of an entity as eligible to receive universal service support is not a legal "barrier to entry" in telecommunications markets. In fact, Section 253(f) of the Communications Act expressly provides that state requirements for entities to obtain designation as an ETC as a pre-condition for entry into certain rural markets does not constitute a "barrier to entry."

The Tenth Amendment To The U.S. Constitution
Precludes Preemption Of The Arkansas Act

Preemption of the universal service and ETC provisions of the Arkansas Act would constitute an impermissible infringement on state sovereignty in violation of the Tenth Amendment to the United States Constitution.

The Tenth Amendment states that the "powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." It preserves and protects the sovereignty of Arkansas to establish and operate its own government, including the right of the Arkansas legislature to specify the power and authority of the Arkansas Commission. Where, as here, there is no conflict between the Arkansas Act and the Communications Act, preemption of the Arkansas Act would constitute an unlawful violation of state sovereignty.

The Communications Act has always recognized this dual sovereignty in telecommunications matters. Section 2 thereof limits the scope of federal regulation and the Commission's authority to interstate and foreign communications, 47 U.S.C. §152(a), and strictly proscribes the Commission's authority over intrastate communication service, 47 U.S.C. §152(b). This fundamental jurisdictional provision was not changed or eliminated by the 1996 Act.

The Supreme Court has clearly and consistently recognized dual sovereignty, and has held that the federal government may not compel the states to enact or implement, by legislation or executive action, federal regulatory programs. In New York v. United States, 505 U.S. 144 (1992), the Court held that a state may not constitutionally be required by Congress to enact particular legislation or to implement a particular administrative solution.

In Printz v. U.S., 521 U.S. 898 (1997), the Court reiterated this prohibition, and held that it may not be circumvented by compelling state officers to execute federal laws. The majority opinion in Printz stated:

The Federal Government may neither issue directives requiring the States to address particular problems, nor command the States' officers, or those of their political subdivisions, to administer or enforce a federal regulatory program. It matters not whether policymaking is involved, and no case-by-case weighing of the burdens or benefits is necessary; such commands are fundamentally incompatible with our constitutional system of dual sovereignty. Id. at 935.

Whereas Congress has substantial powers to govern the nation, the Constitution has never conferred upon it the ability to require the states to govern according to Congress' instructions. See Coyle v. Smith, 221 U.S. 559, 565 (1911). Indeed, the Supreme Court has recognized that the question of whether the Constitution should permit Congress to employ state governments as regulatory agencies was a topic of debate among the framers of the Constitution. See New York, 505 U.S. at 163. It has concluded that the framers opted for a Constitution in which Congress would exercise its legislative authority directly over individuals, rather than over states. Id. at 165. Thus, even where Congress has authority under the Constitution to pass laws requiring or prohibiting certain acts, it lacks the power to directly compel the states to require or prohibit those acts. See FERC v. Mississippi, 456 U.S. 742 (1982).

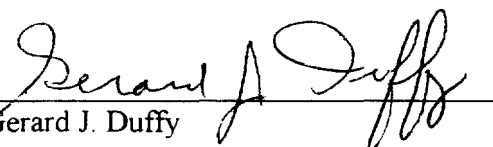
In Garcia v. San Antonio Metro. Transit Authority, 469 U.S. 528 (1985), the Court recognized the "special and specific position" that states occupy in the Constitutional system, and indicated that federal law should not displace state law merely on the basis of ambiguity in a federal statute. Here, there is no indication in the 1996 Act or its legislative history that Congress intended to permit the Commission to displace or replace state

jurisdiction and responsibilities regarding state universal service mechanisms and eligibility requirements. The Tenth Amendment prohibits such an invasion of Arkansas sovereignty.

Conclusion

Neither the AUSF nor ETC provisions of the Arkansas Act are inconsistent with the universal service provisions of the Communications Act or the Commission's implementing rules. In fact, the Arkansas legislature exercised the authority and discretion which were expressly given to it by Congress, the courts and the Commission when it enacted the AUSF and ETC provisions of the Arkansas Act. Therefore, the Tenth Amendment, judicial preemption standards and the Communications Act prohibit the Commission from preempting the universal service provisions of the Arkansas Act.

Respectfully submitted,
RURAL ARKANSAS TELEPHONE SYSTEMS

By 
Gerard J. Duffy

Its Attorney

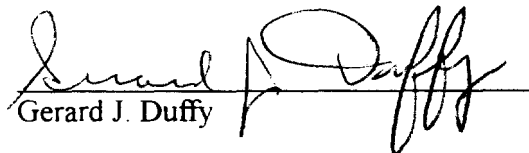
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Certificate of Service

I, Gerard J. Duffy, hereby certify that a copy of the foregoing COMMENTS OF RURAL ARKANSAS TELEPHONE SYSTEMS was served this 18th day of February, 2000, by hand or U.S. mail, upon the following:

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